

# **MINUTES OF MEETING**

**RHODE ISLAND AIRPORT CORPORATION**

**OPERATIONS AND CAPITAL COMMITTEE**

**WEDNESDAY, JUNE 16, 2010,**

**AT 3:00 P.M.**

**IN THE MARY BRENNAN BOARD ROOM,**

**T. F. GREEN AIRPORT**

**2000 POST ROAD, WARWICK, RHODE ISLAND**

**The meeting of the Rhode Island Airport Corporation (“Corporation”) Operations and Capital Committee was called to order by Chair of the Board, Kathleen C. Hittner, M.D., at 3:00 p.m., in the Mary Brennan Board Room at T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.**

**COMMITTEE MEMBERS PRESENT: Kathleen C. Hittner, M.D., Robert D. Sangster; Michael Traficante; Joseph Cianciolo (Committee Alternate); Don Pillsbury (Ex-Officio).**

**COMMITTEE MEMBERS ABSENT: James C. Forte.**

**ALSO PRESENT: Kevin A. Dillon, A.A.E., President and CEO; and those listed on the attendance sheet attached hereto.**

**Dr. Hittner chaired the Committee in Mr. Forte’s absence.**

## **1. Approval of the Minutes:**

**Mr. Traficante moved that the minutes of the Operations and Capital Committee Meeting of April 21, 2010 be approved. Mr. Sangster seconded the motion. The motion was passed unanimously.**

## **2. General Aviation Report:**

**Mr. Dillon gave an overview of the operations at the General Aviation airports, noting that overall operations were up system-wide. Mr. Dillon reviewed the individual numbers for each airport, noting that the Committee had been presented with a copy of the report. Mr. Dillon also gave a brief report on ongoing projects at the airport, including an overview of the Request for Interest for the Management, Operation, Maintenance and Development of the General Aviation Airport System.**

## **3. Action Items:**

**(a) Consideration of and Action Upon Approval of a Professional Services Agreement to Upgrade the Fire Alarm System at T. F. Green Airport.**

**Mr. Dillon gave an overview of the agreement. Dr. Hittner asked if this**

**upgrade included the newer parts of the building. Mr. Dillon reported that he would confirm this information and report back to the Committee. The recommendation is that the Committee authorize the President and CEO, or his designee, to negotiate and execute a Professional Services Agreement with C & K Electric Company to upgrade and test the fire alarm system in the T. F. Green Airport terminal, subject to Board approval.**

**A motion was made by Mr. Traficante and seconded by Mr .Sangster to approve the following resolution:**

**WHEREAS, the existing fire alarm system in the T. F. Green Airport terminal is more than 15 years old; and**

**WHEREAS, this project will replace older technology and upgrade the existing system to extend its useful life and reduce annual repair expenses; and**

**WHEREAS, on February 1, 2010, the Rhode Island Airport Corporation (RIAC) issued a Request for Proposals (RFP) for this project; and**

**WHEREAS, RIAC received five proposals on April 2, 2010 in response to this RFP; and**

**WHEREAS, a Selection Committee comprised of Joe DaSilva, AVP Building Maintenance; Jack Thomas, Fire Chief; Steve Catanzaro,**

**Electrical Supervisor; and Beth Tetreault, Procurement Specialist, reviewed and evaluated the proposals; and**

**WHEREAS, based on these evaluations, the Selection Committee recommends the firm of C & K Electric Company (C&K) perform these services; and**

**WHEREAS, the proposal submitted by C&K included \$218,000 for the repair and upgrade of the existing system and a total of \$15,250 for testing services over a three-year period; and**

**WHEREAS, the project is proposed in the Fiscal Year 2011 Capital Improvement Program (CIP) budget in the amount of \$250,000; and**

**WHEREAS, the construction portion of this contract in the amount of \$218,000 will be funded with 2008 Airport Revenue Bond funds; and**

**WHEREAS, the RIAC proposed Fiscal Year 2011 Operating and Maintenance (O&M) budget includes \$5,000 for testing services during the first year of the contract; and**

**WHEREAS, testing services for years two and three will be contingent upon approval in the applicable year's O&M budget.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee approve the attached resolution authorizing the**

**President and CEO, or his designee, to negotiate and execute a Professional Services Agreement with C & K Electric Company to upgrade and test the fire alarm system in the T. F. Green Airport terminal in the amount of \$233,250, subject to Board approval.**

**The motion was passed unanimously.**

**(b) Consideration of and Action Upon Approval of a Construction Contract for the Maintenance and Rehabilitation of the Elevated Roadway Bridges at T. F. Green Airport.**

**Mr. Dillon gave an overview of the agreement. There was discussion on the bids received for this project and the difference in the pricing. It was noted that Cardi submitted the lowest responsive bid. The recommendation is that the Committee authorize the President and CEO, or his designee, to execute a construction contract with Cardi for the maintenance and rehabilitation of the elevated roadway bridges at T. F. Green Airport, subject to Board approval.**

**A motion was made by Mr. Traficante and seconded by Mr. Sangster to approve the following resolution:**

**WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for the Maintenance and Rehabilitation of the Elevated Roadway Bridges at T. F. Green Airport; and**

**WHEREAS, four bids were received on May 12, 2010; and**

**WHEREAS, Commonwealth Engineering (Commonwealth), serving as RIAC's Design Consultant for this project, determined that Cardi Corporation (Cardi) submitted the lowest responsive bid in the amount of \$595,512; and**

**WHEREAS, RIAC staff agrees with Commonwealth's recommendation that Cardi be awarded the Construction Contract for this project; and**

**WHEREAS, the project is proposed in the Fiscal Year 2011 Capital Improvement Program (CIP) budget in the amount of \$800,000; and**

**WHEREAS, this contract will be funded with 2008 Airport Revenue Bond funds.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee authorizes the President and CEO, or his designee, to execute a Construction Contract with Cardi Corporation for the Maintenance and Rehabilitation of the Elevated Roadway Bridges at T. F. Green Airport in the amount of \$595,512, subject to Board approval.**

**The motion was passed unanimously.**

**(c) Consideration of and Action Upon Approval of a Consultant Task Order for the 2020 No-Build Voluntary Land Acquisition Program (Phase 3) at T. F. Green Airport.**

**Mr. Dillon gave an overview of the Task Order, and a brief history of the land acquisition program. The recommendation is that the Committee authorize the President and CEO, or his designee, to execute a Task Order with O R Colan for acquisition and relocation services associated with Phase 3 of the 2020 No-Build Voluntary Land Acquisition Program at T. F. Green Airport, subject to Board approval.**

**A motion was made by Mr. Sangster and seconded by Mr. Traficante to approve the following resolution:**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) dated July 1, 2005 with O R Colan Associates of FL, LLC (O R Colan) to provide On-Call Land and Avigation Easement Acquisition Services; and**

**WHEREAS, the Federal Aviation Administration (FAA), as part of the Environmental Impact Statement process, has revised noise contour maps related to the 2020 No-Build Scenario based on the use of a more recent Noise Model and revised forecasts that the FAA finds to be consistent with their 2008 Terminal Area Forecast (TAF); and**

**WHEREAS, RIAC has received a Scope and Fee from O R Colan to perform Acquisition and Relocation Services associated with Phase 3 of the 2020 No-Build Voluntary Land Acquisition Program at T. F. Green Airport in the amount of \$669,554; and**

**WHEREAS, RIAC is currently seeking approval from the FAA to utilize its personnel in lieu of the consultant services for a portion of the administrative tasks; and**

**WHEREAS, if this request is approved RIAC will be reimbursed 80% of the staff's salaries and the Task Order with O R Colan will be reduced accordingly; and**

**WHEREAS, the project is proposed in the Fiscal Year 2011 Capital Improvement Program (CIP) budget in the amount of \$2,582,803; and**

**WHEREAS, this Task Order will be funded 80% (\$535,643) through the Federal Aviation Administration's Airport Improvement Program with RIAC's 20% (\$133,911) matching share through Passenger Facility Charges.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee authorizes the President and CEO, or his designee, to execute a Task Order with O R Colan for Acquisition and**



**Relocation Services associated with Phase 3 of the 2020 No-Build Voluntary Land Acquisition Program at T. F. Green Airport in an amount not to exceed \$669,554, subject to Board approval.**

**The motion was passed unanimously.**

**(d) Consideration of and Action Upon Proposed Signatory Airline Operating Agreement and Terminal Building Lease at T. F. Green Airport.**

**Mr. Dillon gave an overview of the agreement, highlighting the major terms. The Committee thanked the staff for their work on finalizing the agreement. The recommendation is that the Committee approve the Airline Operating Agreement and Terminal Building Lease in substantially the form presented, subject to Board approval.**

**A motion was made by Mr. Traficante and seconded by Mr. Sangster to approve the following resolution:**

**WHEREAS, the Rhode Island Airport Corporation's (RIAC) current Signatory Airline Agreement expires on June 30, 2010; and**

**WHEREAS, RIAC staff has negotiated a new Airline Operating Agreement and Terminal Building Lease that will be effective July 1, 2010; and**

**WHEREAS, the proposed term will be for five years; and**

**WHEREAS, the landing fee for the airfield will be based on a Cost Center Residual Methodology; and**

**WHEREAS, an apron fee will be established based on a Cost Center Residual Methodology; and**

**WHEREAS, the terminal rental rate will be based on a Commercial Compensatory Methodology; and**

**WHEREAS, unlike the current agreement, there will be no Majority in Interest approval requirement for Capital Improvement Projects; and**

**WHEREAS, the agreement established an Airline Net Revenue Sharing Methodology for Signatory Airlines; and**

**WHEREAS, the distribution of each Signatory Airline's portion of revenue-sharing will be based on enplanements; and**

**WHEREAS, Non-Signatory Airlines' landing fees, apron fees and terminal rental rates will be 125% of the Signatory Airlines' rates.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee approves the Airline Operating Agreement and**

**Terminal Building Lease in substantially the form presented, subject to Board approval.**

**The motion was passed unanimously.**

**(e) Consideration of and Action Upon Proposed Concession Agreement with Flying Pretzels, LLC, DBA Auntie Anne's at T. F. Green Airport.**

**Mr. Dillon gave an overview of the agreement. The recommendation is that the Committee authorize the President and CEO, or his designee, to execute a concession agreement with Flying Pretzels, LLC., to operate an Auntie Anne's Pretzels location at T. F. Green Airport, subject to Board approval. The Committee thanked the staff for their work in securing this new concessionaire.**

**A motion was made by Mr. Traficante and seconded by Mr. Sangster to approve the following resolution:**

**WHEREAS, the Rhode Island Airport Corporation (RIAC) has the responsibility to enhance non-airline revenue streams and expand product offerings for its passengers that utilize T. F. Green Airport; and**

**WHEREAS, Auntie Anne's Pretzels is a well-known and established concession concept in airports and shopping malls; and**

**WHEREAS, RIAC staff has determined that this concept would represent a compatible and profitable business concept at T. F. Green Airport; and**

**WHEREAS, RIAC staff has negotiated a seven year concession agreement with a local franchisee, Flying Pretzels, LLC (Flying Pretzels); and**

**WHEREAS, Flying Pretzels will lease 233 square feet of concourse space adjacent to Gate 12 to operate its Auntie Anne's Pretzel location; and**

**WHEREAS, revenues under this agreement will be based on a Minimum Annual Guarantee (MAG) of \$82,500 or 15% of gross revenues, whichever is greater; and**

**WHEREAS, the MAG will be escalated by 3% each year of the proposed term.**

**NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:**

**That the Committee authorizes the President and CEO, or his designee, to execute a Concession Agreement with Flying Pretzels, LLC, to operate an Auntie Anne's Pretzels location at T. F. Green Airport, subject to Board approval.**

**The motion was passed unanimously.**

**4. Future Meetings:**

**The next meeting is scheduled for Wednesday, July 21, 2010, at 3:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.**

**5. Adjournment:**

**Mr. Traficante moved to adjourn at approximately 3:26 p.m. Mr. Sangster seconded the motion. The motion was carried by acclamation.**

**Respectfully submitted,**

**Kathleen C. Hittner, M.D., Chair  
Rhode Island Airport Corporation**

**ATTENDANCE SHEET  
RHODE ISLAND AIRPORT CORPORATION**

# **OPERATIONS AND CAPITAL COMMITTEE MEETING**

**JUNE 16, 2010**

<b>NAME</b>	<b>AFFILIATION</b>
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<b>Peter Frazier</b>	<b>RIAC</b>
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<b>Brian Schattle</b>	<b>RIAC</b>
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<b>Ann Clarke</b>	<b>RIAC</b>
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<b>Alan Andrade</b>	<b>RIAC</b>
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<b>Robert Goff</b>	<b>RIAC</b>
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<b>Andrew Tillett-Saks</b>	<b>Local 217</b>
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